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SOURCE Monitored Soviet and Soviet-controlled German broadcasts

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Both the Soviet-controlled German radio and Moscow continue to comment on the promised Soviet delivery of grain and fertilizer to the Soviet zone of Germany. Moscow emphasizes that these deliveries are proof of the Soviet Union's positive attitude towards German democracy and the German people.

German (Soviet-controlled) media are quick to point out that it is not the first time that the Soviet Union has shown its friendly attitude. Last year, for instance, 23,000 tons of cotton—also paid for with finished German goods—as well as various metals and other raw materials were imported from Russia. (Berlin, in German, 30 April 1948)

The beginning of "a new relationship between the Soviet zone and Russia," as marked by the currently promised Soviet "loan" of grain and fertilizer, is again stressed; as is the fact that "the Soviet zone is now in the position to play its part as a trade factor," and that "extensive trade with the people's democracies can be expected."

The Chairman of the German Economic Commission in the Soviet zone, Heinrich Rau, meanwhile, reports a "most encouraging" trend in "this year's economic achievements so far," giving first quarter, 1948, figures on the rise in industrial production and spring sowing—increases, as compared with the first quarter of 1947, ranging from 22

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percent to 84 percent for particular industries, and from 48.3 percent to 99.6 percent for sowing of particular crops.

a. Soviet Zone as a "Trade Factor": The Leipzig radio stresses that "having been given Soviet encouragement to develop its peace economy, the Soviet zone is now in the position to play its part as a trade factor, so that the development of an extensive trade with the people's democracies can be expected." And, contrasting the status of the Soviet zone with that of the western zones of Germany where deliveries of 'political bread' from the U.S. and other countries have "imposed a burden of billions of debts on the people of western Germany," in the Soviet zone "there is no need to accept loans because the zone can pay with industrial goods." (Leipzig, in German, 30 April 1948)

further "unlike Bizonia," the Soviet zone, thanks to its own efforts, has been able "on the whole" to bridge the gap until the next harvest. There was only an insignificant food deficit caused by last year's abnormal weather, says Leipzig, and this too will now be made good by the USSR's grain and fertilizer delivery "which marks the beginning of a new relationship between the USSR and eastern Germany." (A somewhat different explanation of this "insignificant food deficit" is advanced in a Moscow German-language broadcast of 30 April 1948: "It is worth stressing that the existing food deficit is partly due to the fact that many inhabitants of the western zones entered the eastern zone because the hunger in the western zones has, for a considerable time, taken chronic forms. This is the reason why considerable amounts of food had to be earmarked for fugitives from the western zones.")

b. Soviet Zone Economic Output To Be Raised by 10 Percent: In a May-Day eve address to the staff of the German Economic Commission of the Soviet zone, its chairman, Heinrich Rau, said that "displaying the utmost mass initiative, we in the Soviet zone shall increase our agricultural yields and raise industrial production by 10 percent, as compared with last year, thus creating the preconditions for improving the supply situation of our people." (ADN, in German Hellschreiber, 30 April 1948)

Already, "this year's economic achievements have been most encouraging so far." Comparing first quarter, 1948, industrial production\* with the first quarter of 1947, an overall increase of 32 percent is reported; as to production of specific industries, the following percentage increases are given:

Building Materials.....	84%
Metallurgy.....	79
Light Industry.....	56
Machine-Building and Electrical Engineering.....	53
Chemicals.....	42
Power.....	26
Coal.....	22

\*Moscow, reporting on "some new figures about economic recovery in the Soviet zone," gives the following: "The industrial plan was topped in the first quarter (1948) by 36 percent. The mining industry went 5 percent over its plan; iron and steel, 41 percent; and engineering, 53 percent. As to transport, there are these figures for four months: the zone's railroads exceeded their program of daily loadings by 4 percent, and water transport by 15 percent." (in English to North America, 3 May 1948)

As for Berlin's own industry, the Berlin radio, on 4 May 1948, stated that "the production plan of all industrial enterprises in the Soviet sector of the city for the first quarter of 1948 has been fulfilled by 122 percent." Quoting the Deputy Soviet Commander in Berlin, Lt. Col. Nezamayov, the Berlin radio says that "this considerable increase in production was partly due to the support granted by the German Economic Commission. During the first quarter, 11,000 tons of ferrous metals, 12,500 ball-bearings, about 500 electro-motors, and other materials and equipment had been imported into Berlin. During the last winter, the population in Berlin's Soviet sector received 750,000 tons of brown coal briquettes and 360,000 cubic meters of wood." Colonel Nezamayov is quoted to the effect that "by far the greatest part of the output of the Soviet sector was allocated to meet the needs of the German population."

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And as in industry, so in agriculture:\* "Spring sowing for summer crops is completed to the extent of 70.6 percent as per the end of April, while last year, at the same time, it was only 37 percent." The respective percentage increases in spring sowings (as compared to last year) are given as follows:

Grain and Pulse.....	99.6%
Oleaginous Fruits and Fibrous Plants.....	89.1
Potatoes.....	49.2
Vegetables.....	48.4
Beets.....	48.3

Rau concluded: "We want to perform purposeful reconstruction work in order to achieve a decent standard of living for our people. Our reconstruction work is to be a daily appeal to the entire German people to fight for the economic and political unity of Germany which at present is once more endangered by reaction at home and abroad."

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\* According to Moscow, "the bulk of the cereal and leguminous crops was in the ground by 24 April. Twice as much has been planted as by the same date last year, and 400 thousand acres more than by the same date in 1946. The planting of beets and potatoes is also going well." (in English to North America, 3 May 1948)

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